

## § 1709.217

section will be used to evaluate proposals submitted under this program. The total points available and the distribution of points to be awarded per criterion will be identified in the grant announcement.

(a) *Program Design.* Reviewers will consider the financial viability of the applicant's revolving fund program design, the proposed criteria for establishing eligible projects and borrowers, and how the program will improve the cost effectiveness of bulk fuel purchases in eligible areas. Programs demonstrating a strong design and the ability to improve cost effectiveness will receive more points than applications that are less detailed.

(b) *Assessment of needs.* Reviewers will award more points to programs that serve or give priority to assisting more costly areas than those that serve populations that suffer from less severe physical and economic challenges.

(c) *Program evaluation and performance measures.* Reviewers may award more points to performance measures that are relevant to the project objective and quantifiable than to performance measures that are more subjective and do not incorporate variables that reflect a reduction in fuel cost or improvement in service.

(d) *Demonstrated experience.* Applicants may be awarded points for relevant experience in administering revolving fund or other comparable programs.

(e) *Rurality.* Reviewers may award more points to proposals that give priority in access to funds to communities with low population density or that are located in remote eligible areas than to proposals that serve eligible, but less remote and higher population density communities.

(f) *Cost sharing.* Although cost-sharing is not required under this program, projects that evidence significant funding or contributed property, equipment or other in kind support for the project may be awarded points for this criterion where the aggregate value of these contributions exceed 25 percent of the annual funding operations.

(g) *Additional priority considerations.* The grant announcement may provide for additional points to be awarded to projects that advance identified Agen-

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cy priority interests under this program.

### § 1709.217 Grant award.

(a) *Notification of applicants.* The Agency will notify all applicants in writing whether or not they have been selected for a grant award.

(b) *Letter of conditions.* The Agency will notify a selected applicant in writing, setting out the amount of grant approved and the conditions under which the grant will be made.

(c) *Applicant's intent to meet conditions.* Upon reviewing the conditions and requirements in the letter of conditions, the selected applicant must complete, sign and return the Agency's "Letter of Intent to Meet Conditions," or, if certain conditions cannot be met, the applicant may propose alternate conditions to the Agency. The Agency must concur with any changes proposed to the letter of conditions by the applicant before the application will be further processed.

(d) *Grant agreement.* The Agency and the grantee must execute a grant agreement acceptable to the Agency prior to the advance of funds.

### §§ 1709.218–1709.300 [Reserved]

### Subparts D–F [Reserved]

### Subpart G—Recovery of Financial Assistance Used for Unauthorized Purposes

#### § 1709.601 Policy.

This subpart prescribes the policies of the Rural Utilities Service (RUS) when it is subsequently determined that the recipient of an Assistance to High Energy Cost Rural Communities program loan or grant was not eligible for all or part of the financial assistance received or that the assistance received was used for unauthorized purposes. It is the policy of the Agency that when assistance under this part has been received by an ineligible recipient or used for unauthorized purposes the Agency shall initiate appropriate actions to recover from the recipient the sum that is determined to be ineligible or used for unauthorized purposes, regardless of amount, unless any applicable statute of limitation